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CLERK U.S. DISTRICT COURT  
CENTRAL DIST. OF CALIF.  
LOS ANGELES

UNITED STATES DISTRICT COURT

FOR THE CENTRAL DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA,

Plaintiff,

v.

EDDIESON LEGASPI,

Defendant.

CR No.

**CR15-0427**

I N F O R M A T I O N

[18 U.S.C. § 1349: Conspiracy to  
Commit Health Care Fraud]

The United States Attorney charges:

[18 U.S.C. § 1349]

A. INTRODUCTORY ALLEGATIONS

At all times relevant to this Information:

Defendant and Company A

1. Defendant EDDIESON LEGASPI ("defendant LEGASPI") was a resident of Lomita, California, within the Central District of California.

2. Beginning in or about April 2009 and continuing through at least in or about December 2012, defendant LEGASPI worked for Company A, a California corporation, which was located at various sites in Los Angeles and Orange Counties, within the Central District of California.

1        3.    Rehab Synergy, Inc. ("Rehab Synergy") was a California  
2 corporation, owned and operated by defendant LEGASPI, which was  
3 located in Los Angeles County, within the Central District of  
4 California..

5        Co-Conspirators

6        4.    Co-conspirator Marlon Songco was the president of Company  
7 A. Co-conspirators Marlon Songco, A, and B owned and controlled  
8 Company A.

9        5.    A bank account for Company A was maintained at J.P. Morgan  
10 Chase Bank, N.A., with company account ending in number 5060  
11 ("Company A Bank Account").

12        The Medicare Program

13        6.    Medicare was a federal health care benefit program,  
14 affecting commerce, which provided benefits to individuals who were  
15 over the age of 65 or disabled. Medicare was administered by the  
16 Centers for Medicare and Medicaid Services ("CMS"), a federal agency  
17 under the United States Department of Health and Human Services  
18 ("HHS").

19        7.    Individuals who qualified for Medicare benefits were  
20 referred to as Medicare "beneficiaries." Each Medicare beneficiary  
21 was given a Health Identification Card containing a unique  
22 identification number ("HICN").

23        8.    Health care providers who provided medical services that  
24 were reimbursed by Medicare were referred to as Medicare "providers."

25        9.    CMS contracted with private companies to certify providers  
26 for participation in the Medicare program and monitor their  
27 compliance with Medicare standards, to process and pay claims, and to  
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1 perform program safeguard functions, such as identifying and  
2 reviewing suspect claims.

3 10. To obtain reimbursement from Medicare, a provider had to  
4 apply for and obtain a provider number. By signing the provider  
5 application, the provider agreed to (a) abide by Medicare rules and  
6 regulations, and (b) not submit claims to Medicare knowing they were  
7 false or fraudulent or with deliberate ignorance or reckless  
8 disregard of their truth or falsity.

9 11. If Medicare approved a provider's application, Medicare  
10 assigned the provider a Medicare provider number, which enabled the  
11 provider to submit claims to Medicare for services rendered to  
12 Medicare beneficiaries.

13 12. Medicare reimbursed providers only for services, including  
14 physical therapy, that (a) were medically necessary to the treatment  
15 of a beneficiary's illness or injury, (b) were prescribed by a  
16 beneficiary's physician or a qualified physician's assistant acting  
17 under the supervision of a physician, and (c) were provided in  
18 accordance with Medicare regulations and guidelines that governed  
19 whether a particular service or product would be reimbursed by  
20 Medicare.

21 B. THE OBJECT OF THE CONSPIRACY

22 13. Beginning in or about April 2009 and continuing until at  
23 least in or about December 2012, in Los Angeles County, within the  
24 Central District of California, and elsewhere, defendant LEGASPI,  
25 together with co-conspirators Marlon Songco, A, and B, and others  
26 known and unknown to the United States Attorney, knowingly combined,  
27 conspired, and agreed to commit the following offense against the  
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1 United States: health care fraud, in violation of Title 18, United  
2 States Code, Section 1347.

3 C. MANNER AND MEANS OF THE CONSPIRACY

4 14. The object of the conspiracy was carried out, and to be  
5 carried out, in substance, as follows:

6 a. Co-conspirators Marlon Songco, A, and B would pay  
7 Rehab Synergy for defendant LEGASPI's performance of physical therapy  
8 services for Medicare beneficiaries at Company A.

9 b. As defendant LEGASPI then well knew, co-conspirators  
10 Marlon Songco, A, and B hired defendant LEGASPI as a licensed  
11 physical therapist (even though defendant LEGASPI continued to work  
12 full-time at other employment) to perform patient evaluations and re-  
13 evaluations, rather than follow-up treatment, for Medicare  
14 beneficiaries at Company A. Defendant LEGASPI evaluated and re-  
15 evaluated some, but not all, of the beneficiaries and created plans  
16 of physical therapy treatment, even though, as defendant LEGASPI then  
17 well knew and intended, many of the beneficiaries never received any  
18 follow-up physical therapy services.

19 c. While at Company A, beneficiaries would often receive  
20 only massage and acupuncture (services defendant LEGASPI then well  
21 knew were not covered by Medicare) from individuals not licensed to  
22 perform physical therapy.

23 d. As defendant LEGASPI then well knew, co-conspirators  
24 Marlon Songco, A, and B would use a medical billing service, which  
25 defendant later learned was Accubill Medical Billing Services  
26 ("Accubill"), to submit claims to Medicare for reimbursement for  
27 physical therapy services.

1 e. As defendant LEGASPI then well knew, co-conspirators  
2 Marlon Songco, A, and B provided information to Accubill, including  
3 the names, HICNs, and other patient information of the Medicare  
4 beneficiaries, as well as falsified records that made it appear as  
5 though the beneficiaries had received physical therapy treatments  
6 from defendant LEGASPI, knowing and intending that Accubill would use  
7 this falsified information to submit false and fraudulent claims to  
8 Medicare for physical therapy.

9 f. Company A received payment from Medicare for those  
10 false and fraudulent claims, and the payments were deposited into the  
11 Company A Bank Account, to which co-conspirators Marlon Songco, A,  
12 and B had joint access and control.

13 g. Approximately every two weeks from May 2009 to  
14 December 2012, defendant LEGASPI received between \$1,500 and \$2,200  
15 of the Medicare payments deposited into the Company A Bank Account by  
16 co-conspirators Marlon Songco, A, and B as payment for the use of  
17 defendant LEGASPI's Medicare provider number and for the submission  
18 of fraudulent and improper claims to Medicare for physical therapy.

19 h. Between in or about April 2009 and in or about  
20 December 2012, Company A submitted approximately \$2,310,400 in false  
21 and fraudulent claims to Medicare, for which Medicare paid  
22 approximately \$1,266,148, deposited into the Company A Bank Account,  
23 for physical therapy services allegedly performed by defendant  
24 LEGASPI. Defendant LEGASPI, either directly or through Rehab  
25 Synergy, received approximately \$170,500 from Company A for defendant  
26 LEGASPI's participation in the conspiracy, including providing the  
27 use of his Medicare provider number to co-conspirators Marlon Songco,  
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1 A, and B to be used for the submission of fraudulent and improper  
2 claims to Medicare for physical therapy.

3 **D. OVERT ACTS**

4 15. In furtherance of the conspiracy and to accomplish its  
5 object, defendant LEGASPI, together with co-conspirators Marlon  
6 Songco, A, and B, and others known and unknown to the United States  
7 Attorney, committed and willfully caused others to commit, the  
8 following overt acts, among others, in the Central District of  
9 California and elsewhere:

10 Overt Act No. 1: On or about May 25, 2009, defendant LEGASPI  
11 received and deposited a check payable from co-conspirator Marlon  
12 Songco to defendant LEGASPI for \$1,500.00, drawn on the Company A  
13 Bank Account, paid for the use of defendant LEGASPI's Medicare  
14 provider number.

15 Overt Act No. 2: Between on or about July 2, 2010, and on or  
16 about July 6, 2010, defendant LEGASPI and co-conspirators Marlon  
17 Songco, A, and B caused to be submitted to Medicare, false and  
18 fraudulent claims for physical therapy services allegedly provided to  
19 18 Medicare beneficiaries (comprising more than 20 hours of purported  
20 treatment) on June 28, 2010, by defendant LEGASPI, knowing that  
21 defendant LEGASPI did not, in fact, perform those physical therapy  
22 services.

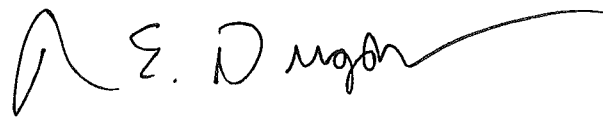
23 Overt Act No. 3: On or about July 1, 2011, defendant LEGASPI  
24 and co-conspirators Marlon Songco, A, and B caused to be submitted to  
25 Medicare, false and fraudulent claims for physical therapy services  
26 allegedly provided to 14 Medicare beneficiaries (comprising more than  
27 17 hours of purported treatment) on June 17, 2011, by defendant  
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1 LEGASPI, knowing that defendant LEGASPI did not, in fact, perform  
2 those physical therapy services.

3 Overt Act No. 4: Between on or about February 29, 2012, and  
4 on or about March 16, 2012, defendant LEGASPI and co-conspirators  
5 Marlon Songco, A, and B caused to be submitted to Medicare, false and  
6 fraudulent claims for physical therapy services allegedly provided to  
7 12 Medicare beneficiaries (comprising more than 14 hours of purported  
8 treatment) on February 20, 2012, by defendant LEGASPI, knowing that  
9 defendant LEGASPI did not, in fact, perform those physical therapy  
10 services.

11 Overt Act No. 5: On or about December 10, 2012, defendant  
12 LEGASPI received and deposited a check from co-conspirator A payable  
13 to Rehab Synergy for \$2,200.00, drawn on the Company A Bank Account,  
14 paid for the use of defendant LEGASPI's Medicare provider number.

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